

INVESTMENT BOARD

Budget Summary						FTE Position Summary				
Fund	2012-13 Adjusted Base	Request		2013-15 Change Over Base Year Doubled		2012-13	Request		2014-15 Over 2012-13	
		2013-14	2014-15	Amount	%		2013-14	2014-15	Number	%
PR	\$35,300,000	\$35,300,000	\$35,300,000	\$0	0.0%	145.10	145.10	145.10	0.00	0.0%

Under 2007 Wisconsin Act 20, the State of Wisconsin Investment Board (SWIB) was provided budget authority based on the greater of: (a) the amount that the Board could have assessed the funds in the second year of the prior fiscal biennium; or (b) 0.0285% in 2007-08 and 0.0325% in 2008-09 and subsequent years of the average market value of the assets of the funds at the end of each month between November 30 and April 30 of the prior fiscal year. Because the average monthly value of assets under management between November, 2010, and April, 2011, totaled \$86.71 billion, the Board's 2011-12 expenditure authority was established at \$30.0 million for general program operations (which was the amount assessed in the second year of the prior fiscal biennium, that is 2010-11).

The 2011-13 biennial budget act (Act 32) authorized SWIB to independently establish its operating budget each year and monitor the fiscal management of the budget. Act 32 also authorized SWIB's Executive Director to independently create or abolish staff positions for the agency. The prior-law provision that established SWIB's operating budget as a specified percentage of assets under management or an amount provided in the second year of the prior fiscal biennium was repealed.

In addition, Act 32 requires that SWIB provide quarterly reports to the Department of Administration, the Co-Chairpersons of the Joint Committee on Finance and the Co-Chairpersons of the Joint Committee on Audit, identifying all operating expenditures and the number of full-time equivalent positions created or abolished during that quarter. Finally, SWIB officials are now required to appear each fiscal year at the first quarterly meeting of the Joint Committee on Finance under s. 13.10 of the statutes to provide an update of SWIB's budget changes, position authorization changes, assessment of the funds under management, and performance of the funds under management for the current and next fiscal year.

In June, 2012, under its new authority, the Board approved an operating budget for 2012-13 of \$35.3 million. In the table above, this amount is indicated for the adjusted base in 2012-13. The SWIB budget request also utilizes this amount for 2013-14 and 2014-15. The actual 2013-14 budget is expected to be finalized by the Board in June, 2013, and the 2013-14 budget one year later.